GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:670
ANSWERED ON:06.02.2017
FDI in MSME Sector
Kalvakuntla Smt. Kavitha;Singh Shri Dushyant

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government plans to promote foreign direct investment in small and medium enterprises and if so, the details thereof and the steps taken in this direction;

(b) whether the Government plans to allow ownership to be transferred to an Indian partner after a specific period of time in the FDI industry and if so, the details thereof; and

(c) whether the Government intends to re-orient the National Manufacturing Policy to promote Smart Manufacturing as per the recommendations of the Standing Committee on Commerce and if so, the details thereof?

Answer

???????? ??? ?????? ???????????? (????????? ??????)(??????? ??????? ???????)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a) : India has one of the most liberalized FDI policy in the world, wherein 100% FDI under automatic route is permitted in most of the sectors/ activities. There is only a small list of sectors/ activities where FDI is regulated i.e. subjected to government approval, cap or having other conditionalities. The FDI policy equally applies to small and medium enterprises in the sectors.

(b): No such proposal is under consideration of the Government.

(c): The National Manufacturing Policy (NMP) already addressed the issue of acquisition of appropriate technologies including environment friendly technologies through creation of a patent pool and development of domestic manufacturing of equipments used for controlling pollution and reducing energy consumption. In this connection, the Technology Acquisition and Development Fund (TADF) Scheme under the NMP was launched on 18th November, 2015. The Scheme is being implemented by the Ministry of Micro, Small and Medium Enterprises.

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